

RECORDATION NO. 24124-D FILED

NOV 03 '03 10-14 AM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.
20036
(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

October 31, 2003

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Assignment of Lease Modification Agreement, dated October 15, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Assignment of Lease which was previously filed with the Board under Recordation Number 24124-A.

The names and addresses of the parties to the enclosed document are:

Secured Party: First Mid-Illinois Bank and Trust, NA
12616 State Route 143
Highland, Illinois 62249

Debtor: Midwest Railcar Corp
9876 213th Avenue, N.W.
Elk River, Minnesota 55330

Mr. Vernon A. Williams
October 31, 2003
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A description of the railroad equipment covered by the enclosed document
is:

15 100-ton boxcars: GNWR 98000 - GNWR 98011 and GNWR 98019 -
GNWR 98021.

A short summary of the document to appear in the index is:

Memorandum of Assignment of Lease Modification Agreement.

Also enclosed is a check in the amount of \$30.00 payable to the order of
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the
undersigned.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Robert W. Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/anm
Enclosures

RECORDATION NO. 24124-1 FILED

NOV 03 '03 10-14 AM

SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF ASSIGNMENT OF LEASE
MODIFICATION AGREEMENT**

dated October 15, 2003

by and between

**FIRST MID-ILLINOIS BANK & TRUST, NA
("Secured Party")**

and

**MIDWEST RAILCAR CORPORATION,
("Debtor")**

MEMORANDUM OF ASSIGNMENT OF LEASE
MODIFICATION AGREEMENT

THIS MEMORANDUM OF ASSIGNMENT OF LEASE MODIFICATION AGREEMENT is hereby entered into as of this 15th day of October, 2003 by and between **First Mid-Illinois Bank and Trust, NA** ("Secured Party"), and **Midwest Railcar Corporation, an Illinois corporation** ("Debtor").

WITNESSETH:

The Debtor hereby assigns, transfers and sets over unto Secured Party all of the Debtor's right, title and interest in and to the lease of fifteen (15), 60', 100-ton Boxcars as evidenced by that certain Amended and Restated Schedule No. 1 to Per Diem Rent Agreement dated September 15, 2003 which incorporates by reference that Per Diem Agreement dated effective June 27, 2002 by and between Debtor (as Lessor) and Mississippi Central R.R. Co., a Mississippi Corporation (as Lessee), and any other Equipment Riders and or schedules thereto (together, the "Lease") and all rents and other sums due under the Amended and Restated Schedule No. 1 to Per Diem Rent Agreement and all proceeds therefrom with respect to those certain railcars identified on the attached Schedule "A" hereto (the "Railcars"), and all rents, renewal rents, proceeds of settlement for the Railcars which are lost, destroyed or damaged beyond repair and all other sums due and to become due under and pursuant to or by reason of the Lease, including but not limited to, the payment of any purchase option price paid by the Lessee pursuant to the Lease, as well as any and all subleases of the Railcars.

A Memorandum of Assignment of Lease (the "Memorandum of Assignment of Lease") was filed and recorded with the Surface Transportation Board pursuant to 49 U.S.C. 11301(a) on September 25, 2002 at 2:43 p.m. under Recordation No. 24124-A.

This Assignment is given and intended as continuing collateral for the payment of the indebtedness of the Debtor to the Secured Party as provided for in the Commercial Security Agreement dated September 12, 2002 and modified October 15, 2003 (the "Agreement"), including but not limited to any and all promissory notes executed thereunder (the "Promissory Notes"), including any and all interest thereon and expenses therefore and any and all extensions and/or renewals of the referenced indebtedness, whether such indebtedness shall at any time or from time to time have been reduced or paid in full and thereafter increased or reincurred, and not renewal of, or extension of time of payment of the subject indebtedness or any part thereof, and no agreement not to sue or release or discharge of any persons liable therefore or thereon, or release or exchange of other collateral or any act or thing whatsoever shall diminish, discharge, impair or affect this assignment or the security afforded hereby, save payment in full by the Borrower to the Lender of any and all indebtedness of the Borrower to the Lender arising under the Agreement and the Promissory Notes, while no default exists under any of the other provisions thereof. If such payment in full is made by the Borrower while no such default exists or if any such payment in full is made while any default exists and all such defaults are subsequently corrected by the Borrower, the Borrower shall be entitled to have this Assignment discharged.

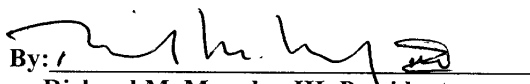
Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement. This Memorandum of Assignment of Lease Modification Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but together only one Memorandum of Assignment of Lease Modification Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

FIRST MID-ILLINOIS BANK AND TRUST, NA
as Secured Party

By: 
Gordon D. Smith, Community President

MIDWEST RAILCAR CORPORATION
As Debtor

By: 
Richard M. Murphy, III, President

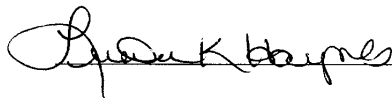
STATE OF ILLINOIS, County of Madison

On this 15th day of October, 2003, before me, a Notary Public of the County and State aforesaid, personally appeared Gordon D. Smith, to me personally known, who being by me duly sworn, says that he is a President of FIRST MID-ILLINOIS BANK AND TRUST, NA, that the seal affixed to the foregoing instrument is the seal of First Mid-Illinois Bank and Trust, NA, that said instrument was signed and sealed on behalf of First Mid-Illinois Bank and Trust, NA by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of First Mid-Illinois Bank and Trust, NA.

AS WITNESS my hand and notarial seal

(Seal)

OFFICIAL SEAL
I HEREBY CERTIFY
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES FEB. 4, 2004



Notary Public

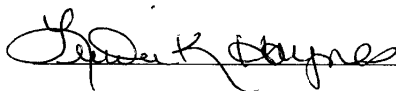
My commission expires: 2/4/04

STATE OF Illinois, County of Madison

On this 15th day of October, 2003, before me, a Notary Public of the County and State aforesaid, personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of Midwest Railcar Corporation, an Illinois corporation, that the seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and the acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal

(Seal)



Notary Public

My commission expires: 2/4/04

OFFICIAL SEAL
I HEREBY CERTIFY
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES FEB. 4, 2004

EXHIBIT "A"

DESCRIPTION OF RAILCARS

Fifteen (15) 60 ft., 100-ton boxcars bearing the reporting marks:

GNWR 98000
GNWR 98001
GNWR 98002
GNWR 98003
GNWR 98004
GNWR 98005
GNWR 98006
GNWR 98007
GNWR 98008
GNWR 98009
GNWR 98010
GNWR 98011
GNWR 98019
GNWR 98020
GNWR 98021